

REMARKS

In the application claims 4-9 remain pending. Claims 1-3 have been canceled without prejudice. All of the pending claims presently stand rejected. The reconsideration of the rejection of the claims is respectfully requested.

In the Office Action claims 4-9 were rejected under 35 U.S.C. § 102 as being anticipated by Huang (U.S. Patent No. 5,953,707). In response to this rejection, it is respectfully submitted that a rejection under 35 U.S.C. § 102 requires that the claimed invention, considered “as a whole,” be found in the reference being relied upon. In this regard, considering the claim “as a whole” requires not only consideration of each and every element set forth in the claims, but also requires consideration of the manner in which the claim elements are arranged and the manner in which the claim elements interrelate, i.e., each and every word of the claims must be considered.

Considering now the rejection of claims 4-9, the Office Action has asserted that Huang anticipates the claims since Huang discloses, in Fig. 16, a decision support system for management of an agile supply chain; at Col. 18, lines 13-15, a Demand Management Frame which requires the participation of two modules, namely, a “Sales Forecasting and Planning (‘SFP’) module” and a “Market Data Analysis (‘MDA’) module;” a “Forecast Reconciliation” at Col. 24, lines 33-64; a “Inventory Planning;” a “Supply Requirement Planning;” and a “VMR (vendor managed replenishment).” *Nowhere, however, does the Office Action set forth that these elements of Huang correspond to the elements set forth in the claims, that these elements of Huang are arranged in the same manner claimed, or that these elements of Huang are interrelated in the same manner claimed.* It is respectfully submitted that the Office Action fails to provide this necessary correspondence between Huang and the elements set forth in the claims for the simple reason that Huang fails to disclose, teach, or suggest the claims “as a whole.”

Turning to Huang, it is respectfully submitted that Huang, which is directed to nothing more than a system for generating reports to thereby provide a decision support system for an agile supply chain (Col. 11, lines 6-16), fails to expressly or inherently disclose, teach, or suggest the computer-readable media set forth in pending claims 4-9 when the claims are considered “as a whole.” For example, the “VMR” disclosed in Huang and cited to in the Office Action **does not** use the critical stocking ratio for each of a plurality of items [which have been determined using a forecast of demand for each of the plurality of items] to allocate a total quantity of each of the plurality of items which can be held in inventory over the forecast period among a plurality of distribution points in a supply chain by assigning over the forecast period a base stocking level for each of the plurality of items at each of the plurality of distribution points in the supply chain and a reorder point for each of the plurality of items at each of the plurality of distribution points in the supply chain or execute a determined replenishment method for each of the plurality of items at each of the plurality of distribution points to create orders for items at any of the plurality of distribution points in the supply chain that fail to have a base stock level for any of the plurality of items thereby causing inventory within the supply chain to be managed in accordance with the critical stocking ratio for each of the plurality of items [which have been determined using the forecast of demand for each of the plurality of items]. Rather, **the express disclosure of Huang teaches directly against the use of forecast data by the “VMR:”**

VMR 84 is a process in which the supplier takes on the responsibility of managing the inventory at the customer site for the products it supplies. **This process operates on point-of sales demand as opposed to demand forecasts provided by the customers.**

(Col. 14, lines 5-9; emphasis added).

VMR is almost invariably based on the availability of direct access to point-of-sales data and the customer's inventory position.

(Col. 32, lines 21-23; emphasis added).

Thus, from the full and fair consideration of Huang, it is clear that the “VMR” of the Huang system, which relies on point-of-sales data, cannot be said to perform the claimed instruction steps of causing a replenishment method to be executed that creates orders for items at any of the plurality of distribution points in the supply chain that fail to have a base stock level for any of the plurality of items to thereby cause inventory within the supply chain to be managed in accordance with the critical stocking ratio, where the critical stocking ratio is required by the claims to be established through the use of forecast of demand.

For this reason, it is submitted that the elements of Huang cited to in the Office Action, when considered in combination, fail to perform each and every claimed instruction step when the claimed instruction steps are considered “as a whole.” As such, the rejection of the claims based upon Huang must be withdrawn.

CONCLUSION

It is respectfully submitted that the application is in good and proper form for allowance. Such action of the part of the Examiner is respectfully requested. Should it be determined, however, that a telephone conference would expedite the prosecution of the subject application, the Examiner is respectfully requested to contact the attorney undersigned.

Respectfully Submitted;

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